TOWNSEND and TOWNSEND and CREW LLP

By:_____/ Stephanie Klepp /_____
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS

In re application of:	Confirmation No. 5092
Justin Monk	Examiner: Maria Teresa T. Thein
Application No.: 10/694,925	Technology Center/Art Unit: 3627
Filed: October 27, 2003	REPLY BRIEF UNDER 37 CFR § 41.37
For: METHODS AND SYSTEMS FOR PROCESSING TRANSACTIONS FOR INTEGRATED CREDIT AND STORED-VALUE PROGRAMS	
Customer No.: 20350	

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Sir:

Appellant offers this Reply Brief in response to the Examiner's Answer mailed January 5, 2009 ("Examiner's Answer"). The following remarks are intended to further focus the issues in this appeal.

1. Examiner's Answer Is Improper

The Final Office Action mailed May 16, 2008 ("Final Office Action") consisted of a terse, two-page rejection of all the claims on what was completely new art. No specific teaching or suggestion was cited from either reference. Rather, Examiner broadly asserted, for example, that Carlisle "shows all the limitations of the claims except for specifying a remote host." Final Office Action, p. 2. As a result, Appellant was forced to respond on the basis of supposition and guesswork.

Then, after an Appeal was filed, Examiner filed an Examiner's Answer with no less than 18 pages of argument, citing specific portions of the references for the first time. These new arguments present completely new grounds for rejection on appeal, and were made in response to arguments that were clearly set forth in previous replies during prosecution. According to MPEP § 1207.03(II), "if an appellant has clearly set forth an argument in a previous reply during prosecution of the application and the examiner has failed to address that argument, the examiner would not be permitted to add a new ground of rejection in the examiner's answer to respond to that argument but would be permitted to reopen prosecution, if appropriate."

Moreover, neither the Final Office Action nor the Examiner's Answer provides any specific rejection of any of the dependent claims. For example, the Examiner's Answer supplies a general narrative to address each of the missing recitations identified by Appellant. However, as discussed more fully below, all the identified missing recitations are recited by independent claims 1 and 30. As such, even if all the identified missing recitations were found in the cited references, the Examiner would still have failed to establish a *prima facie* case of obviousness as to even a single one of the dependent claims.

For at least these reasons, Appellant respectfully submits that Examiner's Answer is improper, and requests at least the reopening of prosecution.

2. The Cited Art Is Deficient

In addition to the improper nature of Examiner's Answer, the references cited by Examiner are deficient for a number of reasons. The Examiner's Answer maintains the rejection of claims 1 – 7 and 23 – 35 under 35 U.S.C. §103(a) as being unpatentable over the cited portions of Carlisle et al., U.S. Patent No. 5,649,118 ("Carlisle"), in view of the cited portions of Kawan, U.S. Patent No. 5,796,832 ("Kawan"). Specifically, Appellant maintains that the newly cited portions of the references still fail to teach or suggest linking a single identifier of a

payment instrument to multiple accounts at a remote host, and using that remote host to generate account information based on the instrument identifier for use in point-of-sale transactions with the instrument, as recited in independent claims 1 and 30.

Carlisle generally discusses technology to allow a consumer to make purchases using a number of different accounts stored on a single smart card. Examiner cites various portions of Carlisle, all found within Columns 3 – 17, that suggest aspects of a smart card operating system that provide many functions, including secure interactions with information stored on the card and in databases through various types of identifiers. However, Carlisle is deficient for a number of reasons.

First, while Carlisle mentions many different types of identifiers associated with a smart card (e.g., account identifiers, application identifiers, etc.), there is no specific mention of an instrument identifier. Examiner contends that certain types of identifiers (e.g., PINs, etc.) could be construed as instrument identifiers. However, none of those identifiers cited by Examiner associates the instrument "with a stored-value account and a credit account." Further, there is no indication in Carlisle that account information relating to the stored-value account and the credit account could be generated (e.g., by the remote host) based on the instrument identifier, as recited in the claims.

Second, even if there were instrument identifiers in Carlisle, they are apparently used only outside POS environments. For example, all the cited portions of Carlisle (and consequently all the alleged instrument identifiers) are found in Carlisle prior to Col. 17. Notably, the portion of Carlisle beginning at Col. 17 is entitled "Using the Smart Card Operating System in a Point-of-Sale Environment." This latter portion of Carlisle that discusses functionality *in a POS environment* specifically discusses using individual account-level identifiers, and not instrument-level identifiers. It seems clear that instrument identifiers are used in Carlisle for instrument-level (non-POS) functions, while POS functions rely on individual account identifiers and data tables locally stored at the POS. *See, e.g.,* the operational sequences illustrated in Figures 13 and 14, and described in Col. 20, ll. 64 – Col. 24, ll. 24.

Third, none of the functions discussed by Carlisle include any interaction between the POS and a remote host. As such, it makes no sense to construe Carlisle as teaching or suggesting *receiving an instrument identifier at a POS device and transmitting the instrument identifier from the POS device to a remote host*, as recited in the claims. Further, it makes no sense to construe Carlisle as suggesting that the account information received at the POS was generated "by the remote host" (i.e., not in the smart card, not in the POS, etc.), as recited in the claims.
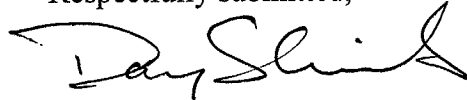
Fourth, there is no teaching or suggestion in the cited references of functions being performed at the remote host, as recited in the claims. The Examiner has correctly stated that Carlisle fails to specify a remote host (*e.g.,* Final Office Action, p. 2), and instead, relies on Kawan (Col. 4, ll. 15 – 30) as teaching a remote host. While the cited portion of Kawan does mention interaction between the smart card and a remote host, there is not discussion of the remote host performing any of the functions recited in the claims. For example, neither Kawan, Carlisle, or the combination of those references provides any suggestion that "the stored-value account and the credit account were linked to the instrument identifier *at a remote host*," or that "account information relating to the stored-value account and the credit account [are] generated *by the remote host* based on the instrument identifier," as recited in the claims.

For at least the above reasons, the cited references fail to teach or suggest all the recitations of claims 1 and 30. Further, the Examiner has provided no reason why, in the absence of these teachings, the recitations of claims 1 and 30 would be known to one of ordinary skill in the art. As such, the Examiner still has not meet her *prima facie* burden of proving obviousness. Therefore, Appellant respectfully submits that all the claims are allowable and requests that the §103(a) rejections to the claims be withdrawn.

CONCLUSION

Thus, for at least these reasons as well as the reasons stated in the Appellant's Appeal Brief, which are hereby incorporated by reference, it is believed that the above claims are entitled to allowance. Appellant respectfully asks the Board to reverse each of the rejections of the Examiner. Although Appellant believes no fee is due, please deduct from Deposit Account 20-1430 any fees that are due in association with the filing of this Reply Brief.

Respectfully submitted,

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